

carry the day against the bowler-topped anachronisms on this bloody anniversary.

TRIBUTE TO JAN MEYERS, RECIPIENT OF 1998 VOLUNTEER OF THE YEAR AWARD

**HON. KAREN MCCARTHY**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today to pay special tribute to the Honorable Jan Meyers, a former U.S. Representative and a personal mentor, who is the recipient of the 1998 Volunteer of the Year award presented by the Volunteer Center of Johnson County, Kansas.

Ms. Meyers has spent her life volunteering for numerous projects aimed at benefiting our community. Her career as a public servant, both as an elected official and as a volunteer, has been focused on bettering her neighborhood, the nation, and the world.

Her career started by working on local charitable and civic affairs including being an active member of the Overland Park, Kansas, City Council for five years. As a pioneer in Bi-State cooperation, Ms. Meyers was selected as the first Chair for the Mid-America Regional Council (MARC), our bi-state metropolitan planning organization. She then was elected to the Kansas Senate where she served for six years. In 1984, State Senator Meyers ran for the U.S. House Kansas 3rd District and won in a decisive victory. Once her career as an elected official began, she championed legislation that was important to her district, region, and the nation.

Congresswoman Meyers succeeded to Chair the House Small Business Committee, the first Republican woman to chair a legislative committee in the House since 1954. Meyers also served with distinction on the International Relations Committee, Economic and Educational Opportunities Committee, and the Select Committee on Aging. In 1997, she retired from Congress after 13 years of distinguished service. Today, Ms. Meyers serves as a board member of the Metcalf Bank, the Johnson County Library Foundation, and the Johnson County Community College Foundation.

While in the House, Congresswoman Meyers fought successfully to achieve fiscal responsibility. The Concord Coalition rated her in the top 10 percent of House members for her votes to cut the budget deficit.

When I arrived in Congress in 1995, I had the honor of serving with Congresswoman Meyers on the Small Business Committee, where I looked to her as a mentor and friend for guidance of issues facing the Committee and the House. She remains a dedicated and respected public figure who continues to be a pioneer in business and community activities.

The business and civic community have honored her with the Golden Bulldog Award for her fiscal votes to cut the deficit and eliminate wasteful spending, the National Taxpayers' Friend Award for her votes to cut spending and her opposition to tax increases, the Guardian of Small Business, the Entrepreneur's Perfect Partner Award, and the Outstanding Services Award from the Kansas Library Association.

Before her career as elected official, Ms. Meyers was an original board member of the Johnson County Community College Foundation and the United Community Services. She also served as a member of the Board of the Johnson County Mental Health Association, and President of the Shawnee Mission League of Women Voters. Ms. Meyers was a key player in developing Overland Park's Legacy of Greenery Committee, and chaired the committee to expand and fund a system of streamway parks in Johnson County, Kansas.

Mr. Speaker, please join me in congratulating the Honorable Jan Meyers as the recipient of the Volunteer of the Year for 1998. It is an honor for me to recognize Jan for her hard work and dedication. I wish her well in her future endeavors and community activities.

PUBLIC UTILITIES IN A DEREGULATED MARKET

**HON. ZACH WAMP**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. WAMP. Mr. Speaker, as the Chairman of the bicameral and bipartisan Tennessee Valley Authority Caucus in the 105th Congress, I submit the following:

REMARKS BY CRAVEN CROWELL, CHAIRMAN, TENNESSEE VALLEY AUTHORITY, TO THE INSTITUTE OF ECONOMIC AFFAIRS, EUROPEAN ELECTRICITY '98 CONFERENCE, JULY 7, 1998—BRUSSELS, BELGIUM

THE ROLE OF THE PUBLIC POWER COMPANY IN THE DEREGULATED 21ST CENTURY

Thank you for that very kind introduction, and good morning, ladies and gentleman. It is indeed a great pleasure and an honor to be here today and I'm grateful for this opportunity to discuss—from the American perspective—some of the issues surrounding deregulation with experts from Europe, and around the world. I'm going to want to talk about the role of public utilities in a deregulated economy—and I'll try to keep my remarks general—but I'm most familiar, of course, with the Tennessee Valley Authority, where I serve as Chairman. So I hope you'll forgive my spending a little time about TVA.

I'm certain that many of you are already familiar with the Tennessee Valley Authority but for those of you who are not, let me offer just a brief sketch of TVA's history—or at least that part of our history that's relevant to the issues we're discussing today. We are a public utility—100 percent government owned—and we're the largest supplier of electricity in the United States. We're also a major employer, with over 14,000 employees. We were created by the United States Congress in 1933 under the administration of President Franklin Delano Roosevelt. In fact, TVA was created just 37 days after FDR took office, so I think it's clear that the mission of TVA had a high priority for the newly elected president.

FDR said that the Tennessee Valley Authority was to be "a corporation clothed with the power of government but possessed of the flexibility and initiative of a private enterprise." So you can see, from the start, that TVA had something of a dual identity—public ownership and public responsibilities, but the expectation that the company was to be fast on its feet, nimble and flexible, like a private corporation. TVA was created at a time when America and much of the world faced enormous hardships. The Great Depres-

sion—remember, this was 1933—was challenging whatever optimism remained after the tragedy of the Great War. But leaders like FDR believed that human will, properly channeled, and organized on a grand scale, could conquer hardship and adversity. Human will, harnessed by large-scale government works programs could—the "New Dealers" believed—reclaim the land, rebuild the shattered economy, and restore hope.

These bureaucrats—I guess that's what we'd call them today—believed that a public corporation like TVA could save the poor and the destitute of the Tennessee Valley. So TVA was not created principally to provide electric power to the Appalachian farmers who lived in the remote hills of the Tennessee Valley—in fact, electric power was not even part of its original mission. TVA was created to rebuild a broken society, and that's exactly what it did. Farmers needed to rebuild a broken society, and that's exactly what it did. Farmers needed to learn new methods of conservation so they could restore fertility to their barren farmland. Agricultural experts from TVA taught them. The rivers, prone to flooding and hazardous to navigate, needed to be tamed so they could serve the people who lived in their valleys.

Engineers from TVA tamed the rivers. TVA trained tens of thousands of poor farmers and gave them new skills. They built huge hydroelectric dams and sent electric power lines into parts of America that had never seen an electric light or used an electric appliance, and when electricity became a part of everyday life, experts from TVA helped teach energy conservation to the consumers of the power TVA produced.

Think about that. Long before conservation became fashionable, TVA was teaching people how to use less of what we make—not exactly part of a standard commercial business plan, but part of what we see as our public responsibility. Back in the '30s, TVA served the public good in thousands of ways and, most people would agree, helped break the stranglehold of the Great Depression.

I like to think that TVA played a significant part in creating the modern economy of the United States and the prosperity we've enjoyed in the second half of this century. But what about the next century? What will be the role of a public utility like TVA and public power companies in general in the deregulated 21st century? Public power now supplies 24.4 percent of the kilowatt-hours consumed by individuals and industries in the US. Will we continue to supply a quarter of the nation's electricity under deregulation? And what about rates? The cost of electricity in the United States can vary between 4 cents per kilowatt-hour in Kentucky, to nearly 12 cents in New Hampshire. The political pressure to level the national rate structure will be enormous. What role should public utilities play in that debate?

As we wrestle with all of these questions, I believe the challenge for the public utilities will be to continue to embrace the dual identity Franklin Roosevelt envisioned sixty-five years ago. Public in fact, private in behavior—solid and responsible, yet creative and competitive. In this way TVA, and public utilities like ours, will set a standard for public responsibility against which private companies can be measured . . . even as we continue to provide our core product—wholesale electric power—at competitive prices.

What will this mean in practice? Well, if we've learned anything in the United States in this last decade it is that deregulation does not automatically mean consumer benefit. We deregulated our telecommunications industry and, while we'd hoped to see new competition result in lower rates, the results—so far at least—have been mixed.

The same with banks. Deregulation has, theoretically at least, made it easier for new banks to compete with established banks. But while thousands of new banks have been created, many of the big established banks have merged, meaning, for many people, less consumer choice, not more. I guess we shouldn't be surprised to find that the "law of unintended consequences" applies to deregulation, just as it applies to everything else.

So, after about a decade of experience, we in the US have learned, I think, to approach deregulation carefully. Rushing headlong into a deregulated economy can, we have found, usher in new problems, even as it solves some of the old ones. The key to measuring the success of deregulation is, and will be, of course, the degree to which regulatory change benefits the public. Again, we come back to the idea of the public good. But how will this benefit be measured? And what should we look out for?

I would suggest that one of the greatest services public utilities can provide in a deregulated marketplace is vision, especially in the context of the public interest. The independently owned, private utilities might say that they are the ones who bring "vision" to the utilities industry but I would challenge that view. In fact, competition—especially in this era of "just in time" delivery—often breeds a corporate vision that sees no further than the next quarterly report, or today's closing share price on the New York Stock Exchange, and this lack of vision, especially in our industry, can have very serious consequences. Public power's vision starts and ends with public responsibility.

Let me give you an example. This summer, if we're unlucky—and let's hope we're not—we could actually find ourselves short of power in one or more major American cities. Just imagine the impact on computers and transit systems if that were to occur.

Now, private utilities also know that the American economy is increasingly dependent on electrical power, but their bottom-line calculations don't allow for the generation of very much excess capacity just because we might, in a heat wave, find ourselves running short. Right now, they would argue, construction of another major generating unit would not produce the return on investment their shareholders demand. Surplus capacity is unsold inventory. It's "inefficient."

At TVA, of course, we don't have shareholders. We have the public. So, while TVA does not build facilities for power production greater than the requirements of our service area, we do operate with a surplus to avoid a power shortage to our customers. We provide this margin for unexpectedly high demand and generation which is sometimes unavailable.

In the past five years, we've seen load growth of about 3.9 percent per year in the Tennessee Valley and 2.7 percent across the US—and the US Department of Energy projects load growth of close to 2 percent nationally every year for the next decade—so, frankly, it is our public responsibility to continue to provide a margin for the Valley as the load continues to grow. Which is not to say that we couldn't actually run short of power in the Tennessee Valley this summer. We could. There's no telling just how high the temperature will rise, and for how long. (Someone else is in charge of the weather.) But at TVA, we think long and hard about these issues. It's our responsibility, because we're a public utility.

Let me offer another example of the vision of the public utility. As far back as 1933, when TVA was created, it was clear that the system of streams and rivers that feed the Tennessee River—and the Tennessee River

itself—could be both friend and foe to the people in the valley. TVA was charged with the responsibility of managing the river first as a natural resource and second as a power resource. In fulfilling this responsibility, our public utility has helped reclaim thousands of acres of farmland and stem the tide of seasonal flooding. Private utilities count on other government agencies to handle land and river management—in the US, that's usually the Army Corps of Engineers—but in the Tennessee Valley, water resource management is the responsibility of TVA, a public utility. Our public utility has also helped industries in the Tennessee Valley grow and prosper.

We've helped arrange loans for small businesses, we've helped locate industrial sites, and we've provided technical expertise to start-up companies and major corporations who have chosen to make the Valley their home. But as the deregulation debate heats up in the months and years ahead, I'm sure that some will question whether TVA or any public utility should continue to manage such a broad portfolio of public service. "That was fine during the 1930s," some will argue, "but we're a long way from the Great Depression. We don't need a TVA for the 21st century." I would argue, in fact, that we will need public utilities more than ever. Even if deregulation succeeds in lowering electricity costs for most Americans (and I think everyone agrees that it's unlikely to reduce electricity costs for all Americans), there are still questions about the overall benefits of deregulation to the public.

But let me be clear here. TVA is pro-deregulation and pro-competition. The US government, in a Comprehensive Electricity Competition Plan published by the Administration last March, calculates that retail choice deregulation will cut electricity costs by about 10 percent, or about \$100 dollars per year for a family of four. That's a significant savings and, again, as a public utility, we're in favor of cutting energy costs for the American people.

Deregulation has the potential to save billions in energy costs for commercial customers, which will make American industries more competitive in the global marketplace. This will benefit the entire American economy and, as a public utility, we support lower energy costs for business and industry, and let me be clear about one more important point. Public responsibilities will not—and should not—absolve public utilities of the requirement to operate efficiently and to compete fairly in the deregulated marketplace.

At TVA, we're proud of the fact that our production costs are second lowest among the nation's top 50 utilities, and we're hard at work, every day, finding new ways to bring those costs down even lower. But lower electricity costs alone are not the sole measure of the public good. If energy companies degrade the environment to produce cheaper electricity, is that a net gain, or loss, for the people who use the power, and live on the land?

If a regional power company chooses to neglect its responsibilities to its local customers so as to make a bigger profit wheeling power to a distant market, it that a net benefit, or loss, of the nation as a whole? These are difficult issues now, and they will become even more difficult in the deregulated future. Public utilities, which serve the interests of the people—not just corporate shareholders—will provide a benchmark by which the performance of all power companies will be measured.

They will help to define "the public good" as it applies to energy production and distribution. And for this reason alone, they deserve their place in the deregulated market-

place of the next century. I know that many of you are wrestling with some of the same issues we are dealing with now in the United States. Deregulating electric utilities will lower energy costs for our citizens and our industries and it is our responsibility to work together—public utilities and independent providers, industry executives and political leaders—to achieve this goal. But if our experience is of any value. I would suggest that you approach deregulation thoughtfully, and with careful deliberation. Above all, I would suggest that you measure the success of your efforts in more than just francs, or marks—or euros—saved.

I would suggest that you measure your ultimate success against the higher standard of the public good. A final thought. The political challenges of deregulation may cause some of us, at various points in the process, to question whether it is a course worth pursuing.

I believe that it is, and that we must stay the course, and do it right. I take my inspiration, again, from President Franklin Roosevelt. The day before he died, FDR wrote remarks for a Jefferson Day lecture he was to deliver the following day. He wrote . . . but never said . . . "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith." And as we move forward, ladies and gentlemen, let us remember to balance our commitments to our various boards and shareholders with a commitment to the constituents who matter most: the publics we serve. Thank you all very much for your kind attention, and thank you to the IEA for inviting me here to Brussels for this excellent and most interesting forum.

#### PERSONAL EXPLANATION

#### HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. PORTER. Mr. Speaker, during the vote on H.R. 3682, the Child Custody Protection Act, on July 15, 1998, I was not able to vote on final passage. I want to clarify that I oppose H.R. 3682, and that I would have voted "nay" had I been present.

Mr. Speaker, the rule on this bill should have permitted amendments to H.R. 3682 and for that reason I opposed the rule and the previous question on the rule. I voted for the motion to recommit because the bill in its present form is too extreme. The current legislation could punish anyone, including a grandparent or mother in a State with a two parent notice requirement, who accompanies a young family member across State lines for an abortion. If amended to address this type of problem along the lines recommended by the President, this bill could earn my support and be swiftly enacted into law.

OMB CONFIRMS CREDIT UNION BILL HAS NO NET BUDGET IMPACT

#### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. KANJORSKI. Mr. Speaker, I am pleased to report to the House that the Director of the